CERE-AP (CESPD-RE-C/30 Nov 92) (405-10f) lst End Mr. Cooper/bem/202-504-4861 SUBJECT: Delegation of Authority for Counteroffers and Settlements

COOPER/bem CERE-AP

U.S. ARMY CORPS OF ENGINEERS, WASHINGTON, D.C. 20314-1000 5 January 1993

FOR COMMANDER, SOUTH PACIFIC DIVISION, ATTN: CESPD-RE-C

- 1. We agree that the delegation you proposed would provide some reduction in the processing time in the purchase of real property and that the current ceiling for the Districts and Divisions may be lower than is necessary to provide the optimum balance efficiency and oversight. On the other hand, we believe that the proposed delegations for both the Division and the District are too high. Expenditures at these levels should continue to be subjected to the current levels of review.
- 3. Moreover, since the Corps reorganization has responsibilities at all levels of the organization in flux and under review, this is not a good time to attempt to establish the appropriate figure for such a delegation. Once the reorganization is fully implemented, we will reconsider the delegation of additional authority in this area.

LAURA OUVERSON NORMAN Chief, Acquisition Division Directorate of Real Estate

CF: COMMANDER LOS ANGELES DISTRICT, ATTN: CESPL-RE COOPER-AC CERE-AP

NORMAN CERE-A

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acg Gen

DEPARTMENT OF THE ARMY



SOUTH PACIFIC DIVISION, CORPS OF ENGINEERS

630 Sansome Street, Room 720 San Francisco, California 94111-2206

CESPD-RE-C

30 November 1992

MEMORANDUM FOR Commander, U.S. Army Corps of Engineers, ATTN:

CERE, 20 Massachusetts Avenue, NW.,

Washington, DC 20314

SUBJECT: Delegation of Authority for Counteroffers and Settlements

- 1. Request that the authority delegated to the South Pacific Division Engineer and to me to accept counteroffers be increased to allow us to accept any reasonable offer in excess of \$100,000, if the total purchase price does not exceed 125 percent of the amount of the approved appraisal, and does not exceed \$2,500,000. Further, request that I be allowed to redelegate to the Commander, Los Angeles Engineer District, and to his Chief of Real Estate similar authority, up to a \$1,250,000 threshold.
 - 2. Southern California real estate is some of the highest land in this country. Now, the Commander, Los Angeles District and his Chief of Real Estate have authority to approve negotiated settlements and stipulated agreements of up to \$250,000. That amount is inadequate for that area. Nearly one third of the Santa Ana River Project appraisal reports exceed that limit. Additionally, there are a significant number of parcels with appraised values approaching the \$250,000 ceiling. Negotiations may well push settlement prices beyond the level of delegated authority.
 - 3. I believe it is imperative that reasonable counteroffers be accepted expeditiously with a minimum amount of administrative oversight. Approval of this request is essential to that end.
 - Point of contact is Bill Stymiest, X-1473.

FOR THE COMMANDER:

GARY A. DITCH

Director, Real Estate